BEFORE THE POSTAL RATE COMMISSION WASHINGTON, D.C. 20268-0001

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POSTAL RATE COMMISSION OFFICE OF THE SECRETARY

EXPERIMENTAL PRESORTED PRIORITY MAIL RATE CATEGORIES, 2001

Docket No. MC2001-1

NOTICE OF THE UNITED STATES POSTAL SERVICE OF ERRATA IN ITS REQUEST (ERRATA)

(March 8, 2001)

Shortly after the filing of its Request in this docket, it came to the attention of the Postal Service that two pages of the Request contained typographical errors affecting the description of the discounts being proposed. On page 3 of the Request, the proposed discounts were described as 12 cents per piece for presortation to ADC level, 15 cents per piece for presortation to 3-digit level, and 24 cents per piece for presortation to the 5-digit level. As shown in the testimony of witness Scherer (USPS-T-1), the discounts actually proposed are 12 cents per piece for presortation to ADC level, 16 cents for sortation to 3-digit level, and 25 cents for presortation to the 5-digit level. A similar error occurs in footnote 4 to Attachment B to the Request. Revised pages reflecting the correct numbers are attached.

The Postal Service regrets any confusion that may have been caused by this

error. In order to minimize such confusion, the Postal Service intends to distribute copies of this errata notice to all intervenors when providing copies of the Request.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

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Postal Service, USPS-T-1. The proposed service will be available for all Priority Mail prepared in a mailing of at least 300 pieces or at least 500 pounds that is presorted, marked, and presented as specified by the Postal Service, and which meets machinability, addressing, and other preparation requirements specified by the Postal Service.

Three categories of discounts are proposed, distinguished by depth of sort: ADC (Area Distribution Center), three-digit and 5-digit. The discounts proposed for the service — 12 cents per piece for sortation to ADC level, 16 cents per piece for sortation to 3-digit level, and 25 cents per piece for presortation to the 5-digit level, reflect the estimated costs avoided by the particular degree of worksharing performed by the mailer. The proposed discounted rate categories would be additional options offered to mailers; existing Priority Mail classifications and rates would remain unchanged.

In order to maintain consistency with the rates currently in effect, the cost avoidance measures underlying these proposals are estimated using the same cost base, including Test Year, as that underlying the Commission's Priority Mail rate recommendations in Docket No. R2000-1. For purposes of this proceeding, the Postal Service's proposals employ the Commission's costing methods, and are supported by the record in Docket No. R2000-1.² The cost avoidance calculations are shown in the

² The Postal Service's use, in this proceeding, of costing methods employed by the Commission in the most recent omnibus rate case is not intended to imply the Postal Service's agreement that the Commission's methods generate the most accurate cost estimates possible. The Postal Service reserves the right to contest particular costing methods in future cases and will continue to advocate improvements in the Commission's methods. For purposes of this case, however, the Commission's current methods are employed in order to place the proposed discounts on a consistent footing with the Priority Mail rates currently in effect, and to segregate from this proceeding

ATTACHMENT B

PROPOSED CHANGES IN THE RATE SCHEDULES

FIRST-CLASS MAIL SCHEDULE 223

PRIORITY MAIL SUBCLASS

(dollars)

Weight not						
Exceeding	Zones					
(Pounds)	L,1,2,3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8
1	3.50	3.50	3.50	3.50	3.50	3.50
2	3.95	3.95	3.95	3.95	3.95	3.95
3	5.15	5.15	5.15	5.15	5.15	5.15
4	6.35	6.35	6.35	6.35	6.35	6.35
5	7.55	7.55	7.55	7.55	7.55	7.55
6	7.90	8.10	8.15	8.25	9.50	10.35
7	8.25	8.65	8.75	8.95	10.45	11.65
8	8.50	9.20	9.35	9.65	11.40	12.95
9	8.65	9.75	9.95	10.35	12.35	14.25
10	8.75	10.30	10.55	11.05	13.30	15.55
11	9.00	10.85	11.15	11.75	14.25	16.85
12	9.25	11.40	11.75	12.45	15.20	18.15
13	9.60	11.95	12.35	13.15	16.15	19.45
14	9.95	12.50	12.95	13.85	17.10	20.75
15	10.30	13.05	13.55	14.55	18.05	22.05
16	10.65	13.60	14.15	15.25	19.00	23.35
17	11.00	14.15	14.75	15.95	19.95	24.65
18	11.35	14.70	15.35	16.65	20.90	25.95
19	11.70	15.25	15.95	17.35	21.85	27.25
20	12.05	15.80	16.55	18.05	22.80	28.55
21	12.40	16.35	17.15	18.75	23.75	29.85
22	12.75	16.90	17.75	19.45	24.70	31.15
23	13.10	17.45	18.35	20.15	25.65	32.45
24	13.45	18.00	18.95	20.85	26.60	33.75
25	13.80	18.55	19.55	21.55	27.55	35.05
26	14.15	19.10	20.15	22.25	28,50	36.35
27	14.50	19.65	20.75	22.95	29.45	37.65
28	14.85	20.20	21.35	23.65	30.40	38.95
29	15.20	20.75	21.95	24.35	31.35	40.25
30	15.55	21.30	22.55	25.05	32.30	41.55
31	15.90	21.85	23.15	25.75	33.25	42.85
32	16.25	22.40	23.75	26.45	34.20	44.15
33	16.60	22.95	24.35	27.15	35.15	45.45
34	16.95	23.50	24.95	27.85	36.10	46.75
35	17.30	24.05	25.55	28.55	37.05	48.05
36	17.65	24.60	26.15	29.25	38.00	49.35
37	18.00	25.15	26.75	29.95	38.95	50.65
38	18.35	25.70	27.35	30.65	39.90	51.95

PRIORITY MAIL SUBCLASS (continued)

(dollars)

		(dollars)						
Weight not								
Exceeding	Zones							
(Pounds)	L,1,2,3	Zone 4	Zone 5	Zone 6	Zone 7	Zone 8		
•								
39	18.70	26.25	27.95	31.35	40.85	53.25		
40	19.05	26.80	28.55	32.05	41.80	54.55		
41	19.40	27.35	29.15	32.75	42.75	55.85		
42	19.75	27.90	29.75	33.45	43.70	57.15		
43	20.10	28.45	30.35	34.15	44.65	58.45		
44	20.45	29.00	30.95	34.85	45.60	59.75		
45	20.80	29.55	31.55	35.55	46.55	61.05		
46	21.15	30.10	32.15	36.25	47.50	62.35		
47	21.50	30.65	32.75	36.95	48.45	63.65		
48	21.85	31.20	33.35	37.65	49.40	64.95		
49	22.20	31.75	33.95	38.35	50.35	66.25		
50	22.55	32.30	34.55	39.05	51.30	67.55		
51	22.90	32.85	35.15	39.75	52.25	68.85		
52	23.25	33.40	35.75	40.45	53.20	70.15		
53	23.60	33.95	36.35	41.15	54.15	71.45		
54	23.95	34.50	36.95	41.85	55.10	72.75		
55	24.30	35.05	37.55	42.55	56.05	74.05		
56	24.65	35.60	38.15	43.25	57.00	75.35		
57	25.00	36.15	38.75	43.95	57.95	76.65		
58	25.35	36.70	39.35	44.65	58.90	77.95		
59	25.70	37.25	39.95	45.35	59.85	79.25		
60	26.05	37.80	40.55	46.05	60.80	80.55		
61	26.40	38.35	41.15	46.75	61.75	81.85		
62	26.75	38.90	41.75	47.45	62.70	83.15		
63	27.10	39.45	42.35	48.15	63.65	84.45		
64	27.45	40.00	42.95	48.85	64.60	85.75		
65	27.80	40.55	43.55	49.55	65.55	87.05		
66	28.15	41.10	44.15	50.25	66.50	88.35		
67	28.50	41.65	44.75	50.95	67.45	89.65		
68	28.85	42.20	45.35	51.65	68.40	90.95		
69	29.20	42.75	45.95	52.35	69.35	92.25		
70	29.55	43.30	46.55	53.05	70.30	93.55		

SCHEDULE 223 NOTES

- 1 The 2-pound rate is charged for matter sent in a 'flat rate' envelope provided by the Postal Service. 2 Add \$10.25 for each pickup stop.
- 3 EXCEPTION: Parcels weighing less than 15 pounds, measuring over 84 inches in length and girth combined, are chargeable with a minimum rate equal to that for a 15-pound parcel for the zone to which addressed
- 4 <u>Pieces presented in mailings of at least 300 pieces or at least 500 pounds and meeting applicable Postal Service regulations for Priority Mail ADC, 3-digit and/or 5-digit discounts receive the applicable discounts of 12, 16 or 25 cents per-piece, respectively (experimental).</u>